

MINUTES OF THE
JOINT CAPITAL FACILITIES & GOVERNMENT OPERATIONS
APPROPRIATIONS SUBCOMMITTEE MEETING
MONDAY, February 2, 2009, 2:00 P.M.
Room 250 House Building, State Capitol Complex

Members Present: Sen. Wayne L. Niederhauser, Co-Chair
 Rep. Stephen D. Clark, Co-Chair

Sen. Curtis S. Bramble
Rep. Fred R. Hunsaker
Rep. Laura Black
Rep. Gage Froerer
Rep. Brad L. Dee
Rep. Janice M. Fisher
Rep. Craig A. Frank
Rep. Stephen E. Sandstrom

Members Excused: Sen. Brent H. Goodfellow

Staff Present: Steve Allred, Fiscal Analyst
 Richard Amon, Fiscal Analyst
 Allison Dempsey, Committee Secretary

Public Speakers Present:

Larry Jardine, Chair, Building Board
William Sederburg, Commissioner, Board of Regents
Tim Smith, Superintendent, USDB
Michael Sears, Finance Director, USDB
Gregg Buxton, Director, DFCM
Dallas Earnshaw, Director, Utah State Hospital
Cynthia Bioteau, President, Salt Lake Community College
Clay Christensen, President, Mountainland Applied Technology College
Kurt Michaels, Vice President of Finance, Mountainland Applied Technology College
Elizabeth Hitch, Interim President, UVU
Val Peterson, Vice President for Administration and Legislative Affairs, UVU
Sam Rushforth, Dean of the College of Science and Health, UVU
Jessica James, Student Senator for the College of Science and Health, UVU
Jack Briton, Dean of the David Eccles School of Business, UU
Myran March, Deputy State Court Administrator, State Courts

Alyn Lunceford, Facilities Director, State Courts
Jason Perry, Executive Director, Governors Office of Economic Development
Lew Cramer, President, World Trade Center Utah
Jack Sunderlage, CEO/Founder, ContentWatch
Dougals Anderson, Dean of the Huntsman School of College, USU
Col. Scot Olson, Utah National Guard
Stan Plewe, Vice President Administrative Services, DSC
Michael Benson, President, SUU
Robert Eves, Dean of the College of Science, SUU

A list of visitors and a copy of handouts are filed with the Subcommittee minutes.

Co-Chair Niederhauser called the meeting to order at 2:10 p.m.

1. **State Funded Capital Development Requests**

Steve Allred, introduced the State Funded Capital Development Requests. Mr. Allred explained the prioritization spread sheet, as ranked by the Building Board, Board of Regents, and UCAT Board of Trustees, to the committee. Mr. Allred also presented the 2008 Legislatively Approved Capital Budget and binder with more detailed information on the Capitol Development requests.

2. **Building Board Comments**

Larry Jardine, Chair, Building Board, stated the views of the Building Board and explained that the priorities presented to the committee are similar to the Board of Regents' priorities.

3. **Board of Regents Comments**

William Sederburg, Commissioner, Board of Regents, reviewed a PowerPoint presentation from the Board of Regents that described the institutions represented, the higher education agenda, education attainment and income, undergraduate credentials awards per 100 FTE's, higher education's role in economic growth, fall 2008 enrollment, building needs, leverage of state funds, \$400,000,000 in bonding, prioritization details and non-state funded capitol development.

Representative Clark, asked if there are any unsafe buildings?

Mr. Sederburg, stated that the Building Board and DFCM have identified two buildings that are of real concern.

Sen. Niederhauser, asked what are the needs of Capitol Development versus Capitol Improvement in regards to renovating the buildings.

Mr. Sederburg, stated that there are needs in both and will be individually addressed in each Agency/Institution presentations.

4. **USDB - Purchase/Renovate School for the Deaf and the Blind**

Tim Smith, Superintendent, USDB, described the dilemma of the upcoming lease expiration at the current campus located on Connor Street. He emphasized that the Building Board ranked USDB number one on their priority list. The state funds requested for this project is \$6,500,000.

Michael Sears, Finance Director, USDB, stated that the USDB requests the purchase of Libby Elementary. He explained that the purchase price is \$3,700,000 along with the renovations that are estimated at \$2,400,000. He further explained the lifetime expectancy of the current structure is estimated at eight to twelve years but the size of the property allows for future growth with a lifetime expectancy of thirty to forty years. He emphasized the solution to the USDB's issues is Libby Elementary which needs a small amount remodeling to be up to code. He further explained that it would pay for itself in lease costs alone within five years.

Rep. Fisher, asked if the building is up to ADA code?

Gregg Buxton, Director, DFCM, stated the restroom facilities need some minimal remodeling to be up to ADA code.

5. **DHS - State Hospital Project**

Dallas Earnshaw, Director, Utah State Hospital, stated that for the last couple of years this project has been seen as critical and has been high on the priority list. Mr. Earnshaw reviewed a PowerPoint presentation. The presentation addressed the major problems of three buildings and the design of a complex that will be flexible for their current and future needs. The state funds requested for this project is \$57,286,000

Rep. Clark, asked how many buildings need to be replaced?

Mr. Earnshaw, stated that there are three buildings that they would like to consolidate into a two building complex.

Rep. Hunsaker, asked if Mr. Earnshaw could speak to the cost per square foot?

Mr. Earnshaw, stated the DFCM came up with the estimates and the square foot price is based on the needs of a hospital.

Sen. Niederhauser, asked if they looked at renovation instead of building?

Mr. Earnshaw, stated that DFCM determined it would better to build then to renovate.

Sen. Niederhauser, asked what the energy savings with new building would be?

Mr. Earnshaw, stated that they are looking at a goal of at least 20% energy savings.

Sen. Niederhauser, asked what is the benefit of two buildings vs. one building?

Mr. Earnshaw, stated that they want to keep the pediatric center separate from the rest of the clinic.

Sen. Niederhauser, stated that it may be worth looking into a one building design in order to be more

cost effective.

Sen. Froerer, asked when the initial cost estimates were completed and if the estimate would be lower if redone today?

Mr. Buxton, stated the estimate was done in October and it is anticipated that the project will come in lower than budgeted.

6. SLCC - Digital Design/Communication Technology Center

Cynthia Bioteau, President, Salt Lake Community College, showed a PowerPoint presentation that explained the needs for a Digital Design and Communication Technology Center. She emphasized that the project is shovel ready and proposed funding is estimated at \$21,700,000.

7. MATC - North Utah County Campus Building

Clay Christensen, President, Mountainland Applied Technology College, gave a PowerPoint presentation that gave an overview of the MATC and its current needs. He explained the MATC's proposal of a 75,000 square foot building on the property located at Thanksgiving Point and detailed the July 15th, 2010 deadline for the development. The requested state funds for this project is \$20,800,000.

Rep. Frank, asked for a description of the 2010 deadline details.

Kurt Michaels, Vice President of Finance, Mountainland Applied Technology College, stated that it has to be under construction by the deadline date.

Rep. Frank, asked if the developers would be open to pushing the deadline date back to accommodate the current economic situation?

Mr. Michaels, stated that the developers are not flexible on the deadline date.

Sen. Bramble, asked what would the dollar cost loss be if we did not meet the deadline?

Mr. Michaels, stated that is approximately \$9,000,000.

8. UVU - Science/Health Building Addition

Elizabeth Hitch, Interim President, UVU, gave a PowerPoint presentation that described the need for the proposed Health Sciences Complex at UVU. The state funds requested for this project is \$54,248,000.

Sam Rushforth, Dean of the College of Science and Health, UVU, further explained the needs of the college and the building details of the proposed Health Sciences Complex.

Jessica James, Student Senator for the College of Science and Health, UVU, expressed the concerns students have on spacing limits and what impact it will have on their educational aspirations.

Rep. Clark, asked for a further explanation of the "need" rating.

Val Peterson, Vice President for Administration and Legislative Affairs, UVU, explained the qualifications and priorities formula. He stated that the UVU Science and Health building on the "qualification" part of the formula is the building with the most need.

9. UU - School of Business Replacement/Expansion

Jack Briton, Dean of the David Eccles School of Business, UU, showed a PowerPoint presentation that detailed the needs of the David Eccles School of Business along with a project for a new building which will include demolition of two existing buildings to be replaced by one 108,000 square foot building. The state funds requested for this project is \$25,815,000.

10. OWATC - Health Technology Building

Collette Mercier, President, Ogden Weber Applied Technology College, showed a PowerPoint presentation that addressed the need for a new building to accommodate current and future growth demands for the Ogden Weber Applied Technology College. The state funds requested for this project is \$24,212,000.

Sen. Bramble asked what the projected ongoing operational costs would there be?

Ms. Mercier, stated that the requested project is not for expansion but to accommodate current needs so there would not be an going operational cost for the time being.

11. Courts - Ogden Juvenile Courthouse

Myran March, Deputy State Court Administrator, State Courts, expressed thanks to the committee for the funding to purchase the land last year for the proposed project this year.

Alyn Lunceford, Facilities Director, State Courts, stated that the Ogden Juvenile Courthouse is the number one priority for the Utah state Judicial Council. Mr. Lunceford addressed the problems with the existing facility along with a proposal for a new courthouse. The requested state funds for this project is \$30,266,000.

MOTION: Sen. Bramble moved to approve the minutes from the January 12th, 2009 meeting.

The motion passed unanimously with Sen. Goodfellow, Rep. Dee and Rep. Frank absent during the time of voting.

12. GOED -World Trade Center

Jason Perry, Executive Director, Governors Office of Economic Development, stated the importance of a World Trade Center building in enhancing international trade and economic development for the state of Utah. The state requested funds for this project is \$36,000,000.

Lew Cramer, President, World Trade Center Utah, detailed the benefit of the exports to the state of Utah. He stated that the a World Trade Center building would be a global engine that would offer a huge return on investment for Utah.

Jack Sunderlage, CEO/Founder, ContentWatch, described his company, ContentWatch, and the benefits that World Trade Center Utah has played in enabling his company to go global.

13. USU -Business School Addition/Remodel

Dougals Anderson, Dean of the Huntsman School of Business, USU, described the project (which includes one building addition and one building remodel) and the justification for the project. The state funds requested for this project is \$39,946,000.

Rep. Fisher, asked if they have incorporated solar energy to the project?

Mr. Anderson, said they are still in the design phase of the project and that the possibility of solar energy can be incorporated into the project.

14. UNG - Armories Upgrades/Repairs

Col. Scot Olson, Utah National Guard, stated that American Fork, Price, West Jordan, Brigham City, Manti, Richfield and DDO armories need to be upgraded. He described the purpose of the armories and the need for upgrades. The state funds requested for this project is \$4,000,000.

Rep. Fisher, asked if this type of project would qualify for stimulus money?

Col. Olson, stated the project does not fit the qualifications for federal stimulus funds.

15. DSC - Centennial Commons Building

Stan Plewe, Vice President Administrative Services, DSC, showed a PowerPoint presentation describing the Centennial Commons Building and the need for it at Dixie State College. The state funds requested for this project is \$35,592,000.

16. SUU - Gibson Science Center

Michael Benson, President, SUU, showed a PowerPoint presentation that details the Gibson Science

Center project and the need for it at Southern Utah University. The state requested funds for this project is \$15,390,000

Robert Eves, Dean of the College of Science, SUU, further emphasized the need for the project.

Rep. Clark, asked if the project is shovel ready?

Mr. Benson, stated the programming is completed. If they get the state funding the can begin the design and construction quickly.

MOTION: Rep. Black moved to adjourn.

The motion passed unanimously with Sen. Goodfellow, Sen. Bramble, Rep. Dee and Rep. Sandstrom absent during the time of voting.

The meeting was adjourned at 5:18 p.m. by Co-Chair Niederhauser.

The minutes were reported by Allison Volk, Secretary.

Sen. Wayne L. Niederhauser, Co-Chair

Rep. Stephen D. Clark, Co-Chair